



Date: May 7, 2012

To: Thomas J. Bonfield, City Manager
Through: Wanda Page, Deputy City Manager
From: David Boyd, Finance Director
Ann-Marie Sharpe, Risk Manager
Subject: Upgrade and Maintenance Support for Risk Management Information Software (RMIS)

Executive Summary

Since 1996, the City has had a perpetual software license with Computer Science Corporation (CSC) for RiskMaster, a Risk Management Information Software (RMIS). The City upgraded this software in 1998 and again in 2003. An upgrade to the current version of the software is necessary to maintain data integrity as well as avoid interruptions in service. The upgrade will facilitate electronic transfer of claims data by allowing interface with workers compensation and liability claims third party administrators (TPA).

Recommendation

The Finance Department recommends that the City Council authorize the City Manager to:

1. Enter into a contract with Computer Science Corporation to upgrade the RMIS software to the latest version RiskMaster "X", for professional services, and to amend the existing maintenance and support agreement for two years, for a total amount not to exceed \$151,925.00; and,
2. Establish a contingency amount of \$15,000.00; and
3. Authorize the City Manager or his designee to negotiate change orders for the contract provided that the cost of all change orders does not exceed \$15,000.00 and the total contract cost does not exceed \$166,925.00.

Background

The City purchased the RiskMaster software in 1996; it was the only RMIS system on the market that operated in Windows. It was an Access 2.0 database and served the City well until the City's database exceeded the resource of the system. In 2003, the City upgraded RiskMaster to the version currently in use. RiskMaster is used to maintain essential claims and loss control data as well as information required for OSHA reporting. Required OSHA forms are therefore prepared using RiskMaster.

The City has been successful in collecting and using data to finance and control losses. By keeping up with software changes and tailoring those changes to meet specific needs, the City can continually improve the efficiency and effectiveness of its Risk Management efforts enterprise wide.

Financial Impact

Technological changes make is necessary for the City to upgrade its current RMIS software. Costs for upgrades, enhancements, installation, training, and continued maintenance and support are:

- a) Installation and training for upgrade to RiskMaster "X" = \$18,225.00
- b) Business Analytics functionality (report writing capabilities, including Quarterly reports, OSHA reports, etc.) = \$40,933.33
- c) Data Director and Data Analytics functionality (3rd party integration) = \$22,116.67
- d) Base amount of maintenance and support for existing functionality = \$26,500.00 (FY12-13) and \$29,150.00 (FY13-14).
- e) Amendments to existing maintenance and support agreement to cover enhanced functionality (\$7,500.00 per year for two years) = \$15,000.00
- f) Contingency amount to cover unanticipated costs = \$15,000.00
- g) Grand total = \$166,925.00

The cost of the RMIS upgrade and maintenance support contract is \$151,925.00, the contingency amount is \$15,000.00, and the total amount is budgeted and paid from the Risk Fund. This fund is comprised of funding from the City's General Fund, Water and Sewer Fund, and other Enterprise Funds that may contribute to the City's exposure. The contract amount of \$151,925.00 covers amounts to be paid this year for the upgrade, enhancements, training, and installation, as well as for the existing software support and maintenance agreement and amendments to this agreement to cover the new or expanded functionalities over the next two years. (During February of this year, a contract for \$24,107.17 was signed with CSC to cover the maintenance and support for the existing RMIS functionality for the current year.) Additionally, a contingency amount of \$15,000.00 is included to cover unanticipated costs.

FY2011-2012	\$ 81,275.00
FY2012-2013	\$ 34,000.00
FY2013-2014	\$ 36,650.00
Contingency	\$ 15,000.00
Total	\$166,925.00

Issues and Analysis

The City has made a significant investment in the purchase of RiskMaster's Risk Management Information System software and over time has purchased upgrades. The upgrades and improvements allow the City to make better use of the resources already committed to risk management and also to improve the timeliness of information used for decision making.

Alternatives

Due to the specialized nature of this software and the prior investments made by the City in the software, there are no cost effective alternatives to the proposed solution.

SDBE Summary

This item was not reviewed by the Department of Equal Opportunity/Equity Assurance for compliance with the Ordinance to Promote Equal Business Opportunities in City contracting.

Attachment: CSC Contract (13 pages)